OCD-ARTESIA

RESUBMITTAL

Farm 3160-3 (July 1992)

1

UNITED STATES DEPARTMENT OF THE INTERIOR

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

ATTACHED

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

DEPARTMENT	SE THE INTE	.ivioiv			5 LEASE DESIGNATION AN	ID SERIAL NO
BUREAU OF LA	ND MANAGEME	NT				AD SERIAL NO.
CATION FOR PER	RMIT TO DE	RILL C	R DEEPEN		6. IF INDIAN, ALLOTTEE OF	R TRIBE NAME
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	L, Section	14	nate in	V'. '	AND SURVEY OR AREA	•
same			APR 2 4	2006	Section 14,	r26s, R29E
DIRECTION FROM NEAREST TO	OWN OR POST OFFICE	*			12. COUNTY OR PARISH	13. STATE
ately 17 miles S	E of Malaga	a New	Mexico	COM	Eddy County	NM
	330		1280		WELL	40
OSED LOCATION* LLING, COMPLETED, IS LEASE, FT.	NA	19. PRC	POSED DEPTH 5300			
her DF, RT, GB, etc.)	2921' (SR.			22. APPROX. DATE WORK when approv	
	PROPOSED CA	SING AND	CEMENTING PROGRAM			
GRADE, SIZE OF CASING	WEIGHT PER F	ООТ	SETTING DEPTH		QUANTITY OF CEMEN	IT
Conductor	NA NA		40	Cmt to	to surface w/ Redi-mix	
8-5/8 J-55	32		600 G50'			
5-1/2 J-55	15.5		5300	1350_s	sks - cmt to si	urface
hole to 600'. Run & se irc cmt to surface. ole to 5300'. Run & se sxs Cl "C" cmt + add.	t 600' of 8-5/8" t 5300' of 5-1/2 Cmt 2 nd stage w	32# J-5 " 15.5# ⁄ 600 sx	J-55 ST&C csg. Cmt v J-55 ST&C csg. Cn s Cl "C" cmt + add.	v/ 655 sks ont in 2 stag Circ cmt t	es w/ DV tool @ ±28 o surface.	800'. Cmt 1 st
	BUREAU OF LAI CATION FOR PER ORILL X GAS WELL OTHER ducing Company NE NO. x 10340, Midland out location clearly and in accordance ' FSL & 1650' FW Same Direction FROM NEAREST TO ately 17 miles S OSED* INE, FT INE, IF any) OSED LOCATION* LLING, COMPLETED, HIS LEASE, FT. THEY DF, RT, GR, PIC, HIS LEASE, FT. THEY DF, RT, GR, PIC, HIS LEASE, FT. GRADE, SIZE OF CASING Conductor 8-5/8 J-55 5-1/2 J-55 et to 40'. Set 40' of 20" hole to 600'. Run & se Circ cmt to surface. Hole to 5300'. Run & se Sixs CI "C" cmt + add. (1)	BUREAU OF LAND MANAGEME CATION FOR PERMIT TO DE ORILL GAS WELL OTHER ducing Company 184 OTHER ducing Company 184 NOTHER ducing Company 184 OTHER ducing Company 184 FSL & 1650' FWL, Section Same The post of t	BUREAU OF LAND MANAGEMENT CATION FOR PERMIT TO DRILL CORPILL X DEEPEN GAS WELL OTHER Z ducing Company 189 NE NO. X 10340, Midland, TX 79702-7340 Foot location clearly and in accordance with any State requirements.*) ' FSL & 1650' FWL, Section 14 Same DIRECTION FROM NEAREST TOWN OR POST OFFICE* ately 17 miles SE of Malaga New OSED. INC. FT 330 DIRECTION FROM NEAREST TOWN OR POST OFFICE* ately 17 miles SE of Malaga New 16. No. INC. FT 330 PROPOSED LOCATION* LUNG, COMPLETED. HIS LEASE, FT. Ther DF, RT, GR, etc. GRADE, SIZE OF CASING WEIGHT PER FOOT Conductor NA 8-5/8 J-55 32 5-1/2 J-55 15.5 et to 40'. Set 40' of 20" conductor pipe and cmt hole to 600'. Run & set 600' of 8-5/8" 32# J-5 Et to 40'. Set 40' of 20" conductor pipe and cmt hole to 600'. Run & set 600' of 8-5/8" 32# J-5 Et to 40'. Set 40' of 20" conductor pipe and cmt hole to 600'. Run & set 600' of 8-5/8" 32# J-5 Et to 40'. Set 40' of 20" conductor pipe and cmt hole to 5300'. Run & set 5300' of 5-1/2" 15.5# Sexs CI "C" cmt + add. Cmt 2 nd stage w/ 600 sx	BUREAU OF LAND MANAGEMENT CATION FOR PERMIT TO DRILL OR DEEPEN DEEPEN	BUREAU OF LAND MANAGEMENT CATION FOR PERMIT TO DRILL OR DEEPEN DEEPEN	DEEPEN DE

IN ABOVE SPACE DESCRIBE PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or

4. SIGNED Cathy Whit	TITLE Sr Eng Tech	DATE	3/10/06
(This space for Federal or State office use)			
PERMIT NO.	APPROVAL DATE		

TITLE FIELD MANAGER *See Instructions On Reverse Side

/s/ Tony J. Herrell

well, an OCD pit permit must be

obtained prior to pit construction.

APR 2 0 2006

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DISTRICT I 1825 N. French Dr., Hobbs, NM 88240 DISTRICT II 811 South First, Artesia, NM 88210

State of New Mexico

Energy, Minerals and Natural Resources Department

F-06-23 Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION 2040 South Pacheco

D AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Santa Fe, New Mexico 87504-2088

API Number	Pool Code 8080	BRUSHY DRAW-DELAWARE	
Property Code	Property Name PITA "14" FEDERAL		Well Number
OGRID No.		Operator Name	Elevation
17891	POGO PRO	2921'	
	8-	rfood Londian	

Surface Location

UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
N	14	26 S	29 E		330	SOUTH	1650	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No. Section	n Township	Range Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres Join	nt or Infill Consol	lidation Code Ore	der No.				<u> </u>

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

	OR A NON-STAN	DARD UNIT HAS BE	EN APPROVED BY TH	E DIVISION
	OR A NON-STAN	DARD UNIT HAS BE	EN APPROVED BY TH	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature JOE T. Janica Printed Name Agent Title 06/03/04 Date SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field noles of actual surveys made by me or under my
Lat.: N32*02'07.8" Long.: W103*57'28.0" 2918.0	2920.9' 	EXHIBIT "A"		APRIL 30 2004 Date Surveyed Signature & Seal of Professional Surveyor Professional Surveyor July Basin Ba

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your consideration.

- 1. <u>Location:</u> 330' FSL & 1650' FWL SECTION 14 T26S-R29E EDDY CO. NM
- 2. Elevation above Sea Level: 2921' GR.
- 3. Geologic name of surface formation: Quaternery Aeolian Deposits.
- 4. <u>Drilling tools and associated equipment:</u> Conventional rotary drilling rig using drilling mud as a circulating medium for solids removal from hole.
- 5. Proposed drilling depth:

53001

6. Estimated tops of geological markers:

Basal Anhydrite	2776 '	Cherry CAnyon	3914'
Delaware Lime	2979'	Brushy Canyon	5176 '
Bell Canyon	3080'	Bone Spring	6900 '

7. Possible mineral bearing formations:

Brushy Canyon

0i1

8. Casing program:

Hole size	Interval	OD of casing	Weight	Thread	Collar	Grade	
25"	0-40	20"	NA	NA	NA	Conductor	
12½"	650' 0-6 00 "	8 5/8"	32#	8-R	ST&C	J-55	
7 7/8"	0-5300'	5½"	15.5#	8-R	ST&C	J-55	

9. Cementing & Casing setting depth:

20"	Conductor	Set 40' of 20" conductor and cement to surface with Redi-mix.
8 5/8"	Surface	Set 600 of 8 5/8" 32# J-55 ST&C casing. Cement with 655 Sx. of Class "C" cement + 2% CaCl, +1/4# Flocele/Sx. Circulate cement to surface.
5½''	Production	Set 5300' of $5\frac{1}{2}$ " 15.5# J-55 ST&C casing. Cement in two stages with DV Tool at 2800'±. Cement 1st stage with 750 Sx. of Class "C" cement + $\frac{1}{4}$ # Flocele/Sx. Cement 2nd stage with 600 Sx. of Class "C" cement + additives, circulate to surface.

10. Pressure Control Equipment: Exhibit "E" shows a 2000 PSI working pressure B.O.P. consisting of Pipe Rams, Blind Rams, a Pack Off and a bell nipple. Exhibit shows a 3000 PSI chole manifold. The B.O.P. will be nippled up on the 8 5/8" casing and remain on the hole to TD. After the B.O.P is installed it will be tested to API specifications and will be operated at least once each 24 hour period and blind rams will be operated when drill pipe is out of hole. Full opening stabbing valve and kelly cock will be utilized. Exhibit "E-1" shows a 3000 PSI choe manifold. No abnormal pressures or temperatures are expected in this well, as none were encountered in off-set wells.

11. Proposed Mud Circulating System:

Depth	Mud Wt.	Mud Visc.	Fluid Loss	Type Mud_
40- <u>69</u> 2'	8.4-8.7	29-32	NC	Fresh water spud mud use paper to control seepage.
<i>ે ⁵⁰</i> કે9 વ−5300'	1010.2	29-38	NC*	Brine water using paper to control seepage, use high viscosity sweeps to clean hole.

* Water loss may have to be altered in order to run logs and casing.

Sufficient mud materials to maintain mud properties, meet lost circulation and weight increase requirements will be kept at the well site at all times. In order to log well and run casing the viscosity may have to be raised and the water loss lowered.

12. LOGGING, CORING, AND TESTING PROGRAM:

- A. Open hole logs: Dual Laterolog, CNL, LDT, Gamma Ray, Caliper from TD back to 8 5/8" casing shoe.
- B. Run Gamma Ray, Neutron from 8 5/8" casing shoe back to surface.
- C. Mud logger may be used at the discretion of the Geologist, no cores or DST's are planned at this time.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. There is no known presence of $\rm H^2S$ in this area. If $\rm H^2S$ is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 1100 PSI, and Estimated BHT 145°

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operation and drilling is expected to take 8 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flowlines in order to place well on production.

15. OTHER FACETS OF OPERATIONS:

After running casing, cased hole Gamma Ray, Neutron Collar logs will be run from TD back to all possible productive zones. The Brushy Canyon formation will be perforated and stimulated in order to establish production. The well will be swab tested and potentialed as an oil well.

HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

- 1. All Company and Contract personnel admitted on location must be trained by a qualified H₂S safety instructor to the following:
 - A. Characteristics of H₂S
 - B. Physical effects and hazzards
 - C. Proper use of safety equipment and life support systems.
 - D. Principle and operation of H₂S detectors, warning system and briefing areas.
 - E. Evacuation procedure, routes and first aid.
 - F. Proper use of 30 minute pressure demand air pack.
- 2. H₂S Detection and Alarm Systems
 - A. H₂S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
- 3. Windsock and/or wind streamers
 - A. Windsock at mudpit area should be high enough to be visible.
 - B. Windsock at briefing area should be high enough to be visible.
 - C. There should be a windsock at entrance to location.
- 4. Condition Flags and Signs
 - A. Warning sign on access road to location.
 - B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H2S present in dangerous concentration. Only emergency personnel admitted to location.
- 5. Well control equipment
 - A. See exhibit "E" & "E-1"
- 6. Communication
 - A. While working under masks chalkboards will be used for communication.
 - B. Hand signals will be used where chalk board is inappropriate.
 - C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephoned will be available at most drilling foreman's trailer or living quarters.
- 7. Drillstem Testing
 - A. Exhausts will be watered.
 - B. Flare line will be equipped with an electric ignitor or a propane pilot light in case gas reaches the surface.
 - C. If the location is near to a dwelling a closed DST will be performed.

- 8. Drilling contractor supervisor will be required to be familiar with the effects H2S has on tubular goods and other mechanical equipment.
- 9. If H_2S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas seperator will be brought into service along with H_2S scavengers if necessary.

- 1. EXISTING ROADS & PROPOSED ROADS: Area maps; Exhibit "B" is a reproduction of a County General Hi-way Map. Exhibit "C" is a reproduction of a USGS Topographic Map, showing existing and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. Any new roads will be constructed to BLM specifications.
 - A. Exhibit "A" shows the proposed well site as staked.
 - B. From Malaga New Mexico take U.S Hi-way 285 South for 12.6 miles to Co. Road 725 (Whitethorn Road) turn Left (East) go 4.2 miles bear Right on Co Road 725 4.7 miles, turn Right on to lease road(newly constructed)go approximately 350' to location.
 - C. Exhibit "F" shows the anticipated routes of flowlines and roads into these well locations.
- 2. PLANNED ACCESS ROADS: Approximately 350' of new road will be constructed.
 - A. The access roads will be crowned and ditched to a 12' wide travel surface with a 40' Right-of-Way.
 - B, Gradient of all roads will be less than 5.00%.
 - C. If turn-outs are necessary they will be constructed.
 - D. If needed roads will be surfaced with a mimimum of 4" of caliche. This material will be obtained from a local source.
 - E. Center-line for new roads will be flagged. Earth-work will be will be done as field conditions require.
 - F. Culverts will be placed in the access road if they are necessary. The roads will be constructed to utilaze low water crossings for drainage as required by topography.
- 3. LOCATIONS OF EXISTING WELLS IN A ONE MILE RADIUS. EXHIBIT "A-1"
 - A. Water wells One approximately 1 mile west of location.
 - B. Disposal wells None known
 - C. Drilling wells None known
 - D. Producing wells As shown on Exhibit "A-1"
 - E. Abandoned wells As shown on Exhibit "A-1"

4. If on completion this well is a producer the operator will lay pipelines and construct powerlines along existing road R-O-W's or other existing R-O-W's.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped to location in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction material will be obtained from the excavation of drill site, if additional material is needed it will be obtained from a local source and transported over the access roads as shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill.
- C. Salts remaining after completion of well will be picked up by the supplier, including broken sacks.
- D. Waste water from living quaters will be drained into holes with a minium of 10'. These holes will be covered during drilling and will be back filled when the well is completed. A Porto-John will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- E. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for furthed drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approve disposal site. Later pips will be broken out to speed drying. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in storage tanks and sold.

8. ANCILLARY FACILITIES:

A. No camps or air strips will be constructed on location.

9. WELL SITE LAYOUT

- A. Exhibit "D" shows the proposed well site layout.
- B. This exhibit indicated proposed location of reserve and sump pits and living facilities.
- C. Mud pits in the active circulating system will be steel pits & the reserve pit is proposed to be unlined unless subsurface condition encountered during pit construction indicate that lining is needed for lateral containment of fluids.
- D. If needed, the reserve pit is to be lined with polyethelene. The pit liner will be 6 mils thick. Pit liner will extend a minimum 2'00" over the reserve pits dikes where the liner will be anchored down.
- E. The reserve pit will be fenced on three sides with four strands of barbed wire during drilling and completion phases. The fourth side will be fenced after all drilling operations have ceased. If the well is a producer, the reserve pit fence will be torn down. The reserve pit and those areas of the location not essential to production facilities will be reclaimed and seeded per BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE

Rehabilitation of the location and reserve pit will start in a timely manner after all drilling operations cease. The type of reclamation will depend on whether the well is a producer or a dry hole.

However, in either event, the reserve pit will be allowed to dry properly, and fluid removed and disposed of in accordance with Article 7.B as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any, will be reshaped to the original configuration with provisions made to alleviate erosion. These may need to be modified in certain circumstances to prevent inundation of the location's pad and surface facilities. After the area has been shaped and contoured, topsoil from the spoil pile will be placed over the disturbed area to the extent possible. Revegetation procedures will comply with BLM standards.

If the well is a dry hole, the pad and road area will be contoured to match the existing terrain. Topsoil will be spread to the extent possible. Revegetation will comply with BLM standards.

Should the well be a producer, the previously noted procedures will apply to those areas which are not required for production facilities.

11. ADDITIONAL INFORMATION:

- A. Topography consists of low lying hills with a dip of 1-5% to the Northwest drainage is into Brushy Draw, an intermittent tributary of the Pecos River. Soil consists of calcareous gravelly, sandy loam. Vegetation consists of creosotebush, Acacia, Prickley Pear, Barrel Cactus, Broom Snakeweed, Mesquite Yucca and native grasses.
- B. The surface is owned by The U.S. Department of Interior and is administered by The Bureau of Land Management. The surface is used for the grazing of livestock and the production of Oil & Gas.
- C. An archaeological survey will be conducted on the location and roads. A report of findings will be in a report that will be filed with The Bureau of Land Management in the Carlsbad Field office in Carlsbad New Mexico.
- D. There are no dwellings in the near vicinity of this location.

12. OPERATIOR'S REPRESENTIVES:

Before Construction:

TIERRA EXPLORATION, INC. P.O. BOX 2188
HOBBS, NEW MEXICO 88241
OFFICE Ph. 505-391-8503
JOE T. JANICA

During and after Construction:

POGO PRODUCING COMPANY P.O. BOX 10340 MIDLAND, TEXAS 79702-7340 RICHARD WRIGHT OFFICE Ph. 432-685-8140

13. CERTIFICATION: I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and the access roads, and that I am familiar with the conditions which currently exist, that the statements made in this plan are to the best of my knowledge are true and correct, and that the work associated with the operations proposed herein will be performed by POGO PRODUCING COMPANY it's contractors/subcontractors is in confirmity with this plan and the terms and conditions under which it is approved. This statement is subject to the provision of U.S.C. 1001 for the filing of a false report.

NAME : for T. Jeensea

DATE : 06/03/04

TITLE : Agent

SECTION 14, TOWN HIP 26 SOUTH, RANGE 29 EAST, N.M.P.M.. 'EDDY COUNTY, NEW MEXICO. 600' 2920.9 2918.0' 150' NORTH OFF SET 2919.3 POGO PRODUCING COMPANY PITA "14" FEDERAL #1 ELEV. - 2921' П 150' WEST OFF SET 150' EAST Lat.-N 32'02'07.8" OFF SET Long-W 103'57'28.0" 2921.5 2922.4' П 150' SOUTH OFF SET 2926.2 600' 2930.9 2930.5 100 200 FEET BEHEE SCALE: 1" = 100' Directions to Location: POGO PRODUCING CO. FROM THE JUNCTION OF CO. RD. 726 AND CO. RD. 725, GO NORTHEAST ON CO. RD. 725 FOR 1.2 MILES TO PROPOSED LEASE ROAD. REF: PITA "14" FEDERAL #1 / Well Pad Topo THE PITA "14" FEDERAL No. 1 LOCATED 330' FROM THE SOUTH LINE AND 1650' FROM THE WEST LINE OF SECTION 14, TOWNSHIP 26 SOUTH, RANGE 29 EAST, BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO N.M.P.M., EDDY COUNTY, NEW MEXICO. W.O. Number: 4238 Drawn By: J. PRESLEY

Disk: JLP CD#1

4238A.DWG

Date:

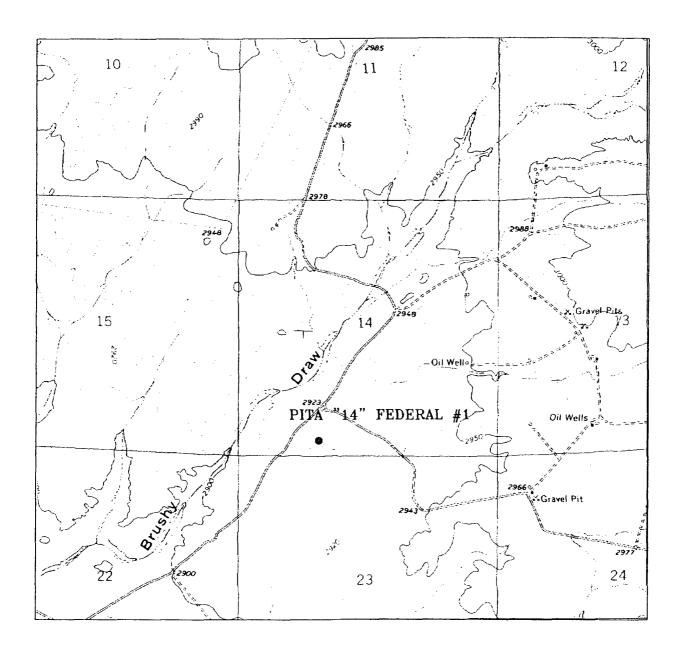
05-04-2004

Sheets

of

Sheet

Survey Date: 04-30-2004



PITA "14" FEDERAL #1 Located at 330' FSL and 1650' FWL Section 14, Township 26 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 - Office (505) 392-3074 - Fax basinsurveys.com

W.O. Number:	4238AA - ULP CD#1			
Survey Date:	04/30/04			
Scale. 1" = 2000'				
Date: 05/04/	Q4			

POGO PRODUCING COMPANY

PITA 14 FED # 1 BOP SCHEMATIC

11" 2M

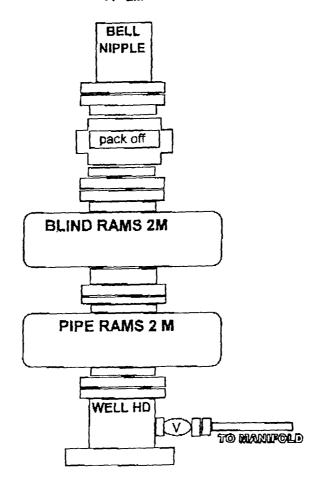
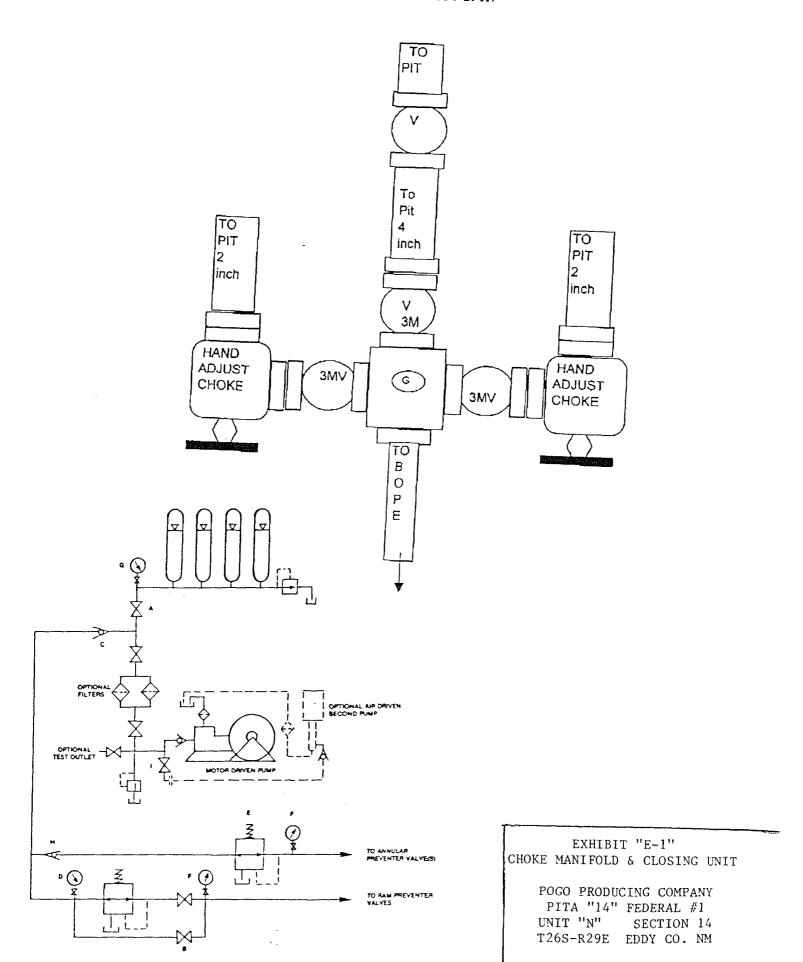


EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

POGO PRODUCING COMPANY
PITA "14" FEDERAL #1
UNIT "N" SECTION 14
T26S-R29E EDDY CO. NM

PITA 14 FED # 1 CHOKE MANIFOLD

3000 PSI WP



CONDITIONS OF APPROVAL - DRILLING

Operator's Name: Pogo Producing Company Well No. 1 - Pita 14 Federal

Location: 330' FSL & 1650' FWL sec. 14, T. 26 S., R. 29 E.

Lease: <u>NM-11038</u>

I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at (505) 234-5972 in sufficient time for a representative to witness:

A. Spudding

- B. Cementing casing: 8-5/8 inch 5-1/2 inch
- 2. Unless the production casing string has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
- 3. Include the API No. assigned to well by NMOCD on the subsequent report of setting the first casing string.
- 4. A Hydrogen Sulfide Contingency Plan should be activated prior to drilling in the **<u>Delaware</u>** formation. A copy of the plan shall be posted at the drilling site.

II. CASING:

- 1. <u>8-5/8</u> inch surface casing string should be set <u>at approximately 650 feet in the Rustler Anhydrite</u>, below usable water and circulate cement to the surface. If cement does not circulate to the surface, the Carlsbad Field Office shall be notified at (505) 234-5972, and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.
- 2. Minimum required fill of cement behind the <u>5-1/2</u> inch production casing string is <u>sufficient to tie back 500 feet</u> above the uppermost perforation in the pay zone.

III. PRESSURE CONTROL:

- 1. Before drilling below the <u>8-5/8</u> inch surface casing string, the blowout preventer assembly shall consist of a minimum of One Annular Preventer or Two Ram-Type Preventers and a Kelly Cock/Stabbing Valve.
- 2. Minimum working pressure of the blowout preventer and related equipment (BOPE) shall be 2000 psi.
- 3. Before drilling below the <u>8-5/8</u> inch intermediate casing string, the BOPE shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.
- A. The results of the test will be reported to the BLM Carlsbad Field Office at 620 East Greene Street, Carlsbad, New Mexico 88220-6292.
- B. Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.
- C. Testing must be done in a safe workman like manner. Hard line connections shall be required.